



MAYOR
Ron Smith

CITY COUNCIL
Donald Abbott, Ward I
Ed Lawson, Ward II
Paul Anderson, Ward III
Charlene Bybee, Ward IV
Kristopher Dahir, Ward V

CITY ATTORNEY
Chet Adams

CITY MANAGER
Steve Driscoll

REGULAR CITY COUNCIL MEETING MINUTES

2:00 P.M., Monday, February 25, 2019

City Council Chambers, Legislative Building, 745 Fourth Street, Sparks, Nevada

1. Call to Order

The regular meeting of the Sparks City Council was called to order by Mayor Ron Smith at 2:00 p.m.

2. Roll Call

Mayor Ron Smith, Council Members Donald Abbott, Ed Lawson, Paul Anderson, Charlene Bybee, Kristopher Dahir, City Manager Steve Driscoll, City Attorney Chet Adams, and Acting City Clerk Lisa Hunderman, PRESENT.

3. Opening Ceremonies

3.1 Invocation Speaker

The invocation was provided by Bishop Cameron Andelin from the Church of Jesus Christ of Latter-Day Saints.

3.2 Pledge of Allegiance

The Pledge of Allegiance was led by Council Member Paul Anderson.

4. Public Comment

Dave Morgan introduced himself and his new local Sparks website SparksNewsToday.com

Resident Peter Lackos provided comments regarding the imposition of on-street parking restrictions in his neighborhood of Kiley Ranch at Los Altos Pkwy and Sparks Blvd. He would like the "no-parking" signs in the area removed to allow area residents to park on both sides of the street. Mr. Driscoll gave Mr. Lackos his business card for follow up with appropriate personnel.

5. Agenda

5.1 Approval of the Agenda (FOR POSSIBLE ACTION)

Consideration of taking items out of sequence, deleting items and adding items which require action upon a finding that an emergency exists.

Motion: I move to approve the agenda as presented.

Moved by: Council Member Lawson

Seconded by: Council Member Bybee

Yes: Council Members Abbott, Lawson, Anderson, Bybee, Dahir
No: None
Abstain: None
Vote: Motion passed unanimously, 5-0.

6. Minutes

6.1 Consideration and possible approval of the minutes of the Sparks City Council meeting for February 11, 2019.

Motion: I move to approve the minutes of the Sparks City Council meeting for February 11, 2019.
Moved by: Council Member Dahir
Seconded by: Council Member Abbott
Yes: Council Members Abbott, Lawson, Anderson, Bybee, Dahir
No: None
Abstain: None
Vote: Motion passed unanimously, 5-0.

7. Announcements, Presentations, Recognition Items and Items of Special Interest

7.1 Proclamation: "Rare Disease Day"

Mayor Smith proclaimed February 28, 2019 as Rare Disease Day in participation with the National Organization for Rare Disorders (NORD) in a nationwide observance day. The proclamation was read by Council Member Anderson and presented to Tammie Hefty.

7.2 Announcement of Boards & Commissions Vacancy / Airport Noise Advisory Panel.

City Manager Driscoll announced vacancies for the following boards and commissions: Airport Noise Advisory board, two (2) vacancies, must be residents of the City of Sparks. Applications can be submitted on the city website www.cityofsparks.us or with the City Clerk's Office. Applications will be accepted until March 1, 2019 or until there are enough applicants to fill these vacancies.

7.3 Announcement of Boards & Commissions Vacancy/Civil Service Commission.

City Manager Driscoll announced vacancies for the following boards and commissions: Civil Service Commission to fill one (1) partial term ending June 30, 2021. Applicants may not serve on this commission if they are: currently a City of Sparks employee; a member of the City Council; an appointed member of any other board, commission, or committee of the City; or is related within the third degree of consanguinity or affinity to a person who is an employee of the City. Applications can be submitted on the city website at www.cityofsparks.us or with the City Clerk's Office. Applications will be accepted until close of business March 15, 2019 or until there are enough applicants to fill these vacancies.

7.4 Announcement of Boards & Commissions Vacancy/Sparks Building Board of Appeals.

City Manager Driscoll announced vacancies for the following boards and commissions: Sparks Building Board of Appeals. To serve on this board, two (2)

members should have architectural experience and/or a builder or superintendent of building construction experience; one (1) member should have structural and/or civil engineering experience; one (1) member should have mechanical engineering experience and/or be a mechanical or plumbing contractor; and one (1) member should be an electrical engineer and/or an electrical contractor. Applications can be submitted on the city website www.cityofsparks.us or with the City Clerk's Office. Applications will be accepted until March 15, 2019 or until there are enough applicants to fill these vacancies.

8. Consent Items (FOR POSSIBLE ACTION)

Motion: Move to approve consent items 8.1 through 8.4 as submitted.
Moved by: Council Member Lawson
Seconded by: Council Member Bybee
Yes: Council Members Abbott, Lawson, Anderson, Bybee, Dahir
No: None
Abstain: None
Vote: Motion passed unanimously, 5-0.

8.1 Consideration and possible acceptance of the report of the claims and bills approved for payment and appropriation transfers for the period of January 24, 2019 through February 06, 2019. (FOR POSSIBLE ACTION)

An agenda item from Financial Services Director Jeff Cronk recommending the City Council approve the report of claims and bills approved for payment and appropriation transfers as presented in the staff report.

8.2 Consideration and possible approval to purchase one mini loader trash truck from Reno Buick GMC Cadillac in the amount of \$115,214.46.

An agenda item from Community Services Director John Martini, presented by Public Works Manager Ron Korman, for approval to purchase one mini loader trash truck from Reno Buick GMC Cadillac in the amount of \$115,214.46.

8.3 Consideration and possible approval to purchase one aerial bucket truck from National Auto Fleet Group in the amount of \$117,241.

An agenda item from Community Services Director John Martini, presented by Public Works Manager Ron Korman, for approval to purchase one aerial bucket truck from National Auto Fleet Group in the amount of \$117,241. The request is for the replacement of an existing aerial bucket truck that has exceeded its scheduled life cycle and is in need of replacement.

8.4 Consideration, discussion and possible approval of a construction contract (AC-5552) for the Tennis Court Surfacing-Pah Rah Park Project, Bid No. 18/19-017, in the amount of \$113,429 to General Acrylics, Inc.

An agenda item from Community Services Director John Martini, presented by Capital Projects Manager Brian Cason, to approve construction contract (AC-5552) for the Tennis Court Surfacing-Pah Rah Park Project, Bid No. 18/19-017, in the amount of \$113,429 to General Acrylics, Inc.

9. General Business

9.1 Consideration, discussion, and possible direction to the City Attorney concerning whether to dismiss pending litigation, City of Sparks v. IPC D'Andrea LLC, CV17-01066. (FOR POSSIBLE ACTION)

D'Andrea Community Association President George Emery provided public comment expressing support for City Council to actively prosecute the pending case of City of Sparks vs. IPC D'Andrea LLC, Case Number CV17-01066. Mr. Emery cited continued incidences of vandalism of abandoned buildings, potential safety threats to immediate and surrounding areas due to unpredictable weather and wildfire activity, and abandoned drain areas near schools as a few reasons for the support, issues he felt contribute to lack of potential buyers for the abandoned area as well as increase fiscal liability as additional property damage is incurred. Mr. Emery's comments preceded Assistant City Attorney Alyson McCormick's presentation of the agenda item.

An agenda item from City Attorney Chet Adams, presented by Assistant City Attorney Alyson McCormick, seeking direction from City Council regarding pending litigation between City of Sparks v. IPC D'Andrea LLC, CV17-01066. On March 27, 2017, the City Council authorized the City Attorney to seek declaratory and injunctive relief to abate the nuisance conditions on the property at 2900 South D'Andrea Parkway, the home of the former D'Andrea Golf Club. Based on that authorization, the City filed a complaint in State court in June 2017, seeking a court order declaring the property a nuisance and ordering the property owner to demolish the ruins of the clubhouse and otherwise abate the dangerous nuisance conditions on the property. Upon agreement between the parties, the litigation was stayed several times between November 2017 and October 2018 while the property owner was trying to sell the property.

While litigation was stayed, the property owner or its agents cleared most of the debris from the 2015 clubhouse fire, painted graffiti, mowed the area, secured the clubhouse, and cleared weeds along the property perimeter. Given this significant improvement of the condition of the property, the City Attorney believes that a primary objective of the litigation was achieved. As a result, the City Council may choose to dismiss the pending litigation, with each party to bear its own attorney fees and costs. However, as discussed above, problems on the property will likely persist for the foreseeable future, as proven with recent vandalism and continued access to the boarded-up clubhouse, until the property is redeveloped. This pending litigation may be an effective tool for addressing those conditions that have not been corrected. Therefore, the City Council may prefer to direct the City Attorney to actively prosecute the pending litigation.

Council expressed concern that some complaints filed in the court order remain unresolved, such as demolition of the clubhouse and maintenance building, and the site continues to impose safety concerns. Council expressed reluctance to believe the issues will be corrected timely and satisfactorily given historical encounters with the property owner.

Motion: I move to direct the City Attorney to actively prosecute the case currently pending as City of Sparks vs. IPC D'Andrea LLC, case number CV17-01066.

Moved by: Council Member Anderson

Seconded by: Council Member Dahir

Yes: Council Members Abbott, Lawson, Anderson, Bybee, Dahir

No: None

Abstain: None

Vote: Motion passed unanimously, 5-0.

9.2 Consideration, discussion, and possible direction to the City Manager and City Attorney's Office to institute proceedings to revoke production and cultivation business licenses currently held by NNV Operations I Inc. dba Silver State Trading. (FOR POSSIBLE ACTION)

An agenda item from City Manager Stephen Driscoll, presented by Assistant City Attorney Brandon Sendall, seeking direction from City Council whether to institute proceedings to revoke production and cultivation business licenses currently held by NNV Operations I Inc. dba Silver State Trading. This is the result of unsatisfactory payment history with the second, third, and fourth quarter 2018 licensing fees in accordance with guidelines set in Sparks Municipal Code Section 5.80, which mandates quarterly license fees are due no later than 30 days after the end of each calendar quarter.

City Manager Driscoll recused himself from the conversation due to a strong relationship with a current employee of the company and requested Assistant City Manager Krutz sit in his place for the conversation.

Assistant City Attorney Sendall noted in the second and third quarters 2018 Silver State Trading asserted a legal argument that would have limited its business license obligations, however Silver State Trading subsequently revoked that argument. Payments for the second and third quarter business license and late fees were satisfied. When City business license office personnel attempted to schedule the fourth quarter payment with Silver State Trading, staff was informed the business was unable to pay. Proceedings to revoke a business license may be initiated for failure to pay license fees and/or neglecting to comply with provisions set forth in SMC Chapter 5.

Assistant City Attorney Sendall commented if Council would like to pursue license revocation, they must first authorize proceedings outlined in SMC to initiate the process. This starts with mailing a complaint to the license holder, after which the business has five (5) business days to file a response with the City Clerk's office. Upon receipt of the response, a hearing would be scheduled at a City Council meeting at which the business owner's case may be heard. This agenda item offers Council the opportunity to consider if proceedings should commence with the mailing of a complaint to the business owner.

Two representatives from Silver State Trading were present at the Council meeting and spoke on the company's behalf. John Sutton, Chief Executive Officer and

founder, noted the second and third quarter payments were delinquent due to the need for code interpretation to ensure they were paying correctly. He then cited logistical complications with cash delivery and law enforcement presence at the City, and untimely third-party payments to his business, as reasons for the delayed fourth quarter payment. He noted neglect was not an intentional objective at any point, and that ultimately all quarterly licensing and late fees were satisfied. Mr. Sutton apologized that communication from Silver State Trading was not as strong as it should have been. Silver State Trading Chief Financial Officer, Will Hitchcock, again expressed the need for interpretation of the City's code regarding gross receipts tax to ensure they were paying correctly. Mr. Hitchcock stated the timeline of interactions with their own legal counsel regarding the interpretation also contributed to payment delays.

Council commented compliance with Sparks Municipal Code must be upheld by any license holder that does business in the City regardless of their individual business management practices.

Motion was approved with subsequent comment from Mr. Sendall that Council may allow for an extended response time beyond the standard five (5) business days. Council Member Lawson agreed with acceptance of an extension of five (5) business days for a response and directed Silver State Trading to coordinate the extension with the City Manager's Office.

Motion: I move to direct the City Manager and City Attorney's Office to institute proceedings to revoke NNV Operations I Inc. dba Silver State Trading's cultivation and production business licenses by mailing a complaint as outlined in SMC 5.80.110a.

Moved by: Council Member Lawson

Seconded by: Council Member Anderson

Yes: Council Members Abbott, Lawson, Anderson, Bybee, Dahir

No: None

Abstain: None

Vote: Motion passed unanimously, 5-0.

9.3 Consideration, discussion and possible confirmation of the Mayor's appointment of Neil C. Krutz as City Manager, effective March 15, 2019. (FOR POSSIBLE ACTION)

An agenda item from Mayor Ron Smith requesting Council confirmation of his appointment of Neil C. Krutz as City Manager, effective March 15, 2019.

Following the motion Mr. Krutz expressed gratitude to Council and shared his excitement in achieving a career goal harbored for 20 years. Mr. Krutz noted three areas he feels will lend favorably to his continued public service with the City of Sparks: his background in civil engineering; his growth in education and management principles and practices; and lessons learned from his experience with the Great Recession of 2008.

Motion: Move to confirm Mayor Smith's appointment of Neil C. Krutz as Sparks City Manager, effective March 15, 2019.
Moved by: Council Member Dahir
Seconded by: Council Member Abbott
Yes: Council Members Abbott, Lawson, Anderson, Bybee, Dahir
No: None
Abstain: None
Vote: Motion passed unanimously, 5-0.

9.4 Consideration, discussion and possible approval of an Employment Agreement (AC-5553) between the City of Sparks and Neil C. Krutz for the position of City Manager with a yearly salary of \$223,100.80. (FOR POSSIBLE ACTION)

An agenda item from Mayor Ron Smith, presented by Human Resources Manager Mindy Falk, requesting approval of an Employment Agreement (AC-5553) between the City of Sparks and Neil C. Krutz for the position of City Manager with a yearly salary of \$223,100.80.

Mrs. Falk outlined the provisions of Mr. Krutz's employment contract dated March 15, 2019 – June 30, 2022. Consistent with guidelines set forth in the City's classification and compensation program adopted September 10, 2018, the proposed annual salary of \$223,100.80 falls within a satisfactory range. Contract provisions also include: a 5% merit increase based on the Mayor's recommendation, effective September 15, 2019; an annual Cost of Living Adjustment based on the current Management, Professional, and Technical Employee Resolution Contract, at the City Manager's discretion; \$7500 longevity pay to be paid annually in November; 100% match of deferred compensation contributions up to the maximum contribution under federal law; annual performance reviews to take place in May beginning in 2020, at which time Council may make up to a 5% merit salary adjustment; and the City or City Manager may terminate the contract based on mutual agreement or criteria outlined in the contract.

Motion: Move to approve the Employment Agreement (AC-5553) between the City of Sparks and Neil C. Krutz for the position of City Manager with a yearly salary of \$223,100.80 and authorize the Mayor to execute the contract.
Moved by: Council Member Lawson
Seconded by: Council Member Bybee
Yes: Council Members Abbott, Lawson, Anderson, Bybee, Dahir
No: None
Abstain: None
Vote: Motion passed unanimously, 5-0.

10. Public Hearing and Action Items Unrelated to Planning and Zoning
None

11. Planning and Zoning Public Hearings and Action Items
None

12. Comments

12.1 Comments from the Public

None

12.2 Comments from City Council and City Manager

Council Member Anderson conveyed condolences to the family of Wayne Alexander, who passed over the weekend. Mr. Alexander was the Ward 3 representative for the Sparks Senior Citizen's Advisory Committee. Council Member Anderson also thanked Ron Korman and his snow crews for their efforts during recent storms.

Council Member Dahir sent congratulations to Mr. Krutz again for his appointment as City Manager and expressed gratitude to Mr. Driscoll for his service. He noted Mr. Driscoll will be missed. Council Member Dahir then invited all to the Nevada Veteran's Memorial celebration March 29, 2019 at 10:00 a.m. at the Sparks Marina.

Mayor Smith again expressed gratitude to Mr. Driscoll for his years dedicated to the City of Sparks.

13. Adjournment

Council was adjourned at 2:59 p.m.

RONALD E. SMITH, Mayor

ATTEST:

LISA HUNDERMAN, Acting City Clerk

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